

Illinois Administrative Code

TITLE 50: INSURANCE

SUBCHAPTER hh: Workers' Compensation and Employers' Liability Acts

Part 2902: Workers' Compensation Rate and Manual Filing

Section

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AUTHORITY: Implementing Section 457 and authorized by Section 401 of the Illinois Insurance Code (Ill. Rev. Stat. 1981, ch. 73, pars. 1065.4 and 1013).

SOURCE: Emergency rule adopted and codified at 7 Ill. Reg. 719, effective December 30, 1982, for a maximum of 150 days; adopted at 7 Ill. Reg. 11224, effective August 31, 1983.

2902.10 Authority

This Part is promulgated by the Director of Insurance under Section 401 of the Insurance Code (Ill. Rev. Stat. 1981, ch 73, par. 1013), which empowers the Director "...to make reasonable rules and regulations as may be necessary for making effective..." the insurance laws of this State. The purpose of this Part is to implement Section 457 of the Illinois Insurance Code (Ill. Rev. Stat. 1981, ch. 73, par 1065.4).

2902.20 Purpose and Scope

- a) This Part establishes a uniform format for the filing of every manual of classifications, every manual of rules and rates, every rating plan, every schedule rating plan and every modification which is intended for use in this State.
- b) This Part shall apply to all companies licensed and writing in this State, the kind of insurance commonly referred to as Worker's Compensation and Employer's Liability as authorized by Class 2(c) and (d) of Section 4 of the Illinois Insurance Code (Ill. Rev. Stat. 1981, ch. 73, par 616) and every Rating Organization licensed under Section 459 of the Illinois Insurance Code (Ill. Rev. Stat. 1981, ch. 73, par. 1065.6).

2902.30 Filings Required

Except as provided in Section 2902.60 of this Part, all companies subject to this Section shall file the following materials:

- a) All manuals - Every manual of classifications, every manual of rules, every rating plan, every schedule rating plan and every modification of any such manual or plan used in this State or intended for use in this State; and
- b) All rates - All rates, and/or modification factors if adopting a pure premium filed by a rating organization.

2902.40 Manual Filings

- a) Manual filing requirements can be met by:
 - 1) a company making a direct filing on its own behalf; or
 - 2) a company authorizing a rating organization of which it is a member or subscriber to make the filing on the company's behalf.
 - A) If the filing is made by a rating organization, the rating organization shall indicate whether it will require its members and subscribers to adhere to such filing. If the Rating Organization does not require adherence to such filing, then the members and subscribers shall notify this Department if they do not intend to adopt such filing.
 - B) A company which does not adopt a rule or rule change filed by its rating organization which does not require adherence, or if it wishes to file its own rule, such company must file:
 - i) Manual size exception pages in duplicate.
 - ii) The manual rule number, which must be the same as the rule number being replaced.
 - iii) The effective date of use.
- b) All manual filings must be accompanied by duplicate copies of a rule submission letter which includes:
 - 1) The name of the rating organization or company making the filing;
 - 2) Identification of the rule with the manual to which it applies;
 - 3) Notification as to whether the filing is new or supersedes a present filing. Identification of all superseded filings as well as identification of all changes from the superseded filings is required; and
 - 4) The effective date of use.

- c) Companies under the same ownership or general management are required to make separate individual filings. Company group filings are unacceptable.

2902.50 Rate Filings

- a) Rate filing requirements can be met by:
 - 1) A company making a direct filing on its own behalf; or
 - 2) A company adopting its Rating Organization advisory rate filing; or
 - 3) A company filing a deviation to its Rating Organization advisory rate filing; or
 - 4) A company adopting its Rating Organization pure premium rate filing providing the company files its modification factor or factors used for expenses and profits.
- b) All company rate filings must include a Form RF-3 (Illustration A) which provides information on changes in rate level based on the distribution of business with respect to the kinds of insurance to which the rate revision applies. If the rate filing is not a change in rate level, no Form RF-3 is required.
- c) All rating filings above must be accompanied by duplicate copies of a rate submission letter which includes:
 - 1) The name of the company making the filing;
 - 2) Notification of whether the filing is new or supersedes a present filing. Identification of the superseded filing as well as identification of all changes from the superseded is required.
 - 3) Effective date of use.
- d) Documentary data for rates and changes filed above must be maintained by the company or its rating organization to be available upon and in accordance with the Department's request for review by the Department's Property and Casualty Evaluation Section.
- e) Companies under the same ownership or general management are required to make separate individual filings. Company group filings are unacceptable.

2902.60 Exemption From Filings

- a) A company is not required to file under this Part for individual risks in this State which cannot be rated in the normal course of business because of special or unusual characteristics, as provided in Section 456(1)(c) of the Illinois Insurance Code (Ill. Rev. Stat. 1981, ch. 73, par. 1065.3) and which must be rated on the basis of underwriting judgement.

- b) A company must maintain documentary information regarding rates determined under a) above for review by the Department's Property and Casualty Evaluation Section.

2902.70 Submission of Filings

- a) All manual and rate filings required by this Rule must be received no later than thirty days after their effective date of use.
- b) All manual filings made by a Rating Organization to which it will require adherence of its members and subscribers must be filed 30 days prior to the effective date of use.

Section 2902. Illustration A

Form (RF-3)

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective _____.

(1) <u>Coverage</u>	(2) <u>Annual Premium Volume (Illinois)*</u>	(3) <u>Percent Change (+ or -)**</u>
1. Automobile Liability		
Private Passenger		
Commercial		
2. Automobile Physical		
Damage		
Private Passenger		
Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Worker's Compensation		
16. Other		
Line of Insurance		

Does filing only apply to certain territory (territories) or certain classes? If so, specify _____

Brief description of filing. (If filing follows rates of an advisory organization, specify organization): _____

*Adjusted to reflect all prior rate changes.

**Change in Company's premium level which will result from application of new rates.

Name of Company_____
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